

**Village of Salado
Salado Municipal Building
301 N. Stagecoach
Salado, Texas
Minutes of Special Meeting of Board of Aldermen
March 28, 2019 at 5:30 p.m.**

The Board of Aldermen meeting was called to order at 5:30 p.m. by Mayor Skip Blancett.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Aldermen Andy Jackson, Michael Coggin (via videoconference), and Michael McDougal.

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

1. Ordinances

- A. Consider approval of the second and final reading of an ordinance of the Village of Salado, Texas, establishing rates for wastewater service to be charged in the Village of Salado; amending Ordinance No. 2015.12 establishing policies for operating a Village-owned wastewater treatment plant and collection system; including establishing wastewater service rates, connection fees, deposit fees, interest penalties, reconnection charges, transfer fees, and returned check fees; adopting general policies and procedures including application, implementation, billing and collections of established fees; providing for severability; repealing conflicting ordinances and providing for findings of fact, an effective date, and proper notice and meeting. (*Village Administrator*)

Mayor Blancett introduced the item and Village Administrator Ferguson recommended approval of the second and final reading of the ordinance, and read the following amended language in Section 5, Subsection F. Reservation Fee:

“A property owner in the Village’s initial service area who desires to reserve capacity in the Village Sewer System for a vacant lot prior to initiating service, shall pay a \$750 Reservation Fee and execute the Village Service Reservation Agreement.

Reservation Fees must be paid within the first 90 days of service availability. Reservation fees are valid for two (2) years. If the property is not connected to the Village Sewer System within two (2) years, the reservation will expire, and the fee will be refunded to the property owner.

The Reservation Fee will be applied toward the impact fee due and owing in accordance with the Village’s Impact Fee Ordinance.

The Reservation Fee may be transferred to subsequent purchasers of the property with the consent of the Village. Consent may not be unreasonably withheld. The transfer does not affect the two-year life of the reservation.”

Discussion established that the reservation fee is not renewable, fee applies per lot, and only applies to vacant lots.

Alderman McDougal moved to approve the ordinance, as presented, including the aforementioned recommended amendment to *Section 5, Subsection F. Reservation Fee*. Alderman Jackson seconded.

Alderman Coggin felt the reservation fee should go into the Village's General Fund, if the lot(s) is not developed, rather than be refunded to the developer.

Discussion established that the \$750 reservation fee is per lot and cannot be paid out over time.

Motion carried on a vote of 3-1. Alderman Coggin voted against.

- B. Consider approval of an ordinance of the Village of Salado, Texas amending Ordinance No. 2018.13 Section 1, Subsection B, Paragraph 1 to add reference to an exception for certain septic systems; and adding a new Paragraph 3, an exception for septic systems installed on or after April 2, 2011 and before April 2, 2019; and providing for the following: findings of fact amendment; repealer; severability; codification; effective date; and proper notice and meeting. (*Village Administrator*)

Mayor Blancett introduced the item and Village Administrator Ferguson recommended approval of the ordinance, which includes the addition of Paragraph 3 to Section 1, Subsection B, as follows:

"A property owner with a septic system installed on or after April 2, 2011 and before April 2, 2019 (within eight (8) years from the date of sewer service availability) may continue use of the septic system in lieu of connecting to the Village Sewer System for eight (8) years from the date of installation. At the end of the eighth year from the date of installation or if the septic system fails at any time during the eight years, the property owner must connect to the Village Sewer System in accordance with this Ordinance."

Discussion established that the property must connect at the end of the eight year period and that the above referenced paragraph applies to initial customers only. It was noted that potentially five or six property owners (mostly commercial properties) may be affected, and of those only one owner has expressed intent to defer connection, with one undecided at this time. Discussion favored adding language that clarifies this additional paragraph only applies to initial customers.

Alderman Jackson moved to approve the ordinance, as presented, including the addition of language clarifying that Section 1, Subsection B, Paragraph 3, applies only to initial customers. Alderman McDougal seconded. Motion carried on a vote of 3-1. Alderman Coggin voted against. The second and final reading of this ordinance will be held at the Board's April 4, 2019 Regular meeting.

- C. Consider approval of an ordinance of the Village of Salado, Texas amending Ordinance No. 2018.12 Section 5, Subsection B, Paragraph 3 to add language clarifying how reservation fees will be credited; amending Subsection I to authorize the filing of a lien for

impact fee installment agreements and authorizing the Village Administrator to sign impact fee installment agreements; and adding new Subsection E to Section 6 to require reservation fees for properties utilizing onsite septic systems and clarifying how reservation fees will be credited; and providing for the following: findings of fact; amendment; repealer; severability; codification; effective date; and proper notice and meeting. (*Village Administrator*)

Mayor Blancett introduced the item and Village Administrator Ferguson recommended approval of the ordinance with additional clarifying language added to emphasize that the ordinance applies *only* to initial customers. The ordinance amends Ordinance No. 2018.12 as follows:

Section 5, Subsection B, Paragraph 3:

"The reservation fee specified in the agreement and paid by the property owner shall be applied as a credit to reduce the impact fee assessed in accordance with this ordinance at the time the property is connected to the Village Sewer System."

Section 5, Subsection I:

"Property Owners opting to pay impact fees in yearly installments must execute an Impact Fee Installment Agreement on forms provided by the Village and approved by the Village Administrator."

Section 6, Subsection D:

"A property owner with a septic system installed on or after April 2, 2011 and before April 2, 2019 may continue use of the septic system in lieu of connecting to the Village Sewer System in accordance with Village ordinance 2018.13 upon the payment of a reservation fee to the Village. The reservation fee specified in the agreement and paid by the property owner shall be applied as a credit to reduce the impact fee assessed in accordance with this ordinance at the time the property is connected to the Village Sewer System."

In addition to the abovementioned amendments, Village Administrator Ferguson recommended that clarifying language added to emphasize that the ordinance applies *only* to initial customers.

Mayor Pro-tem Coachman moved to approve the ordinance, as presented, including the including the addition of language clarifying that the proposed ordinance applies *only* to initial customers. Alderman McDougal seconded. Alderman Coggin expressed opposition based on his previous comments. Motion carried on a vote of 3-1. Alderman Coggin voted against. The second and final reading of this ordinance will be held at the Board's April 4, 2019 Regular meeting.

2. Discussion and Possible Action

Discuss and consider possible action approving the Village of Salado, Texas, Basic Financial Statements and Supplemental Schedules and Independent Auditor's Report for the Fiscal year ended September 30, 2018. (*Donald L. Allman, CPA*)

Village Administrator Ferguson introduced Donald Allman, who presented highlights of the report, including:

- Assets exceeded liabilities by \$3,561,094 (Net Position). Of this amount, \$713,905 represents unrestricted net position or fund balance.
- Total net position increased by \$399,388.
- General Fund had net income of \$128,304 and Proprietary Fund had net income of \$271,084 on government-wide funds basis.
- Comparisons of Village's operations for year ended September 30, 2018 to the year ended September 30, 2017
- General Fund net position increased by \$46,281.
- Proprietary Fund reported an ending fund balance of \$1,760,496 as of September 30, 2018.

Discussion established that the Village is managing its finances, growth, and debt very well.

Alderman McDougal moved to approve the Basic Financial Statements and Supplemental Schedules and Independent Auditor's Report for the Fiscal year ended September 30, 2018, as presented. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 4-0.

3. Workshop

Workshop to tour the new Village of Salado Wastewater Treatment Plant. (*Village Administrator*)

As Alderman Coggin is attending by videoconference and unable to accompany the Board of Aldermen on a tour of the new plant, the meeting now lacks a quorum to continue. As such, Mayor Blancett entertained a motion to adjourn.

Mayor Pro-tem Coachman moved to adjourn. Alderman McDougal seconded. Motion carried on a vote of 4-0.

Adjournment

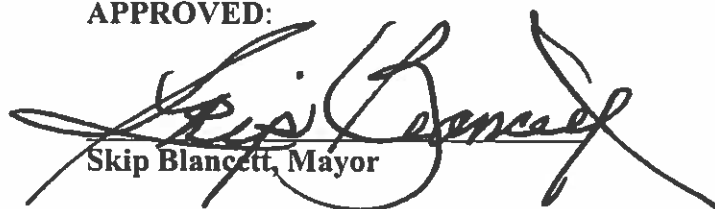
Mayor Blancett called the meeting adjourned at 6:08 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 4th of April, 2019.

APPROVED:



Skip Blancett, Mayor

ATTEST:

Cara McPartland
Cara McPartland, City Secretary

